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12 *Attorneys for Debtors and Debtors in Possession*

13 UNITED STATES BANKRUPTCY COURT
14 NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION

15 In re:

16 PG&E CORPORATION

17 - and -

18 PACIFIC GAS AND ELECTRIC
COMPANY,

20 Debtors.

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11
(Lead Case)
(Jointly Administered)

21
22
23 **DEBTORS' AND SHAREHOLDER
PROPOSERS' SUBMISSION OF
ARGUMENT DEMONSTRATIVE
REGARDING CLASS 10A-II**

24 Affects PG&E Corporation
24 Affects Pacific Gas and Electric Company
24 Affects both Debtors

25 ** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

1 PG&E Corporation and Pacific Gas and Electric Company, as debtors and debtors in
2 possession in the above-captioned chapter 11 cases, and certain funds and accounts managed or
3 advised by Abrams Capital Management, LP, and certain funds and accounts managed or advised
4 by Knighthead Capital Management, LLC each as Plan Proponents submit the demonstrative
5 document discussed at the hearing held on June 3, 2020, attached hereto as Exhibit A.

6 Dated: June 3, 2020

7 WEIL, GOTSHAL & MANGES LLP
KELLER BENVENUTTI KIM LLP

8

9 By: /s/ Stephen Karotkin
10 Stephen Karotkin

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14 By: /s/ James O. Johnston
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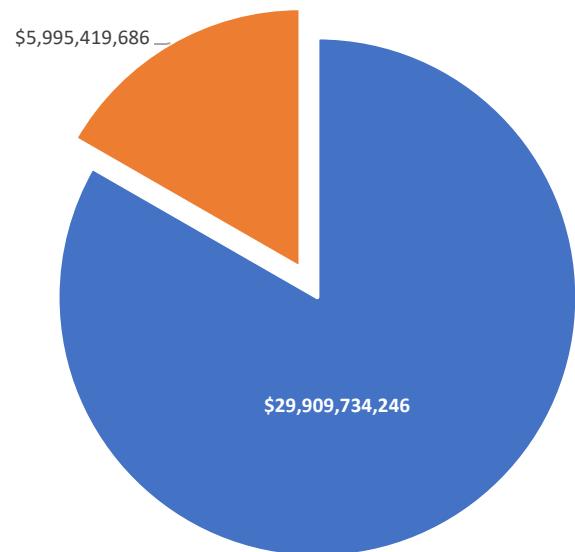
EXHIBIT A

PG&E Market Capitalization

Pre-Disclosure Capitalization

\$35,905,153,932

Market Open 10/12/17



■ "True" Value

■ Hypothetical "Inflated" Value
(Reduction in Capitalization as of
Market Close 10/13/17)

Petition Date Capitalization

Market Close 1/29/19

\$0

\$7,360,396,528

■ "True" Value ■ "Inflated" Value

Treatment of Hypothetical Claimant



Claimant

- Buys 100,000,000 shares on October 12, 2017, at \$69.29 per share (opening price for the day), for a total purchase price of \$6,929,000,000.
- Sells all 100,000,000 shares on October 13, 2017, at \$57.72 per share (closing price for the day), for a total sale price of \$5,772,000,000.
- Assuming fraud claims are proven, damages are \$1,157,000,000 – roughly 3.22% of PG&E's market capitalization at the time of investment.

The Plan: **Claimant** receives \approx 3.22% of the number of common shares outstanding on the Petition Date.

PERA Methodology: **Claimant** receives \approx 18.31% of outstanding common shares ***despite having lost only \approx 3.22% of market capitalization as of the time of investment.***